COASTAL CONSERVANCY

Staff Recommendation February 2, 2017

CORTE MADERA MARSH RESTORATION

Project No. 15-006-02 Project Manager: Laura Cholodenko

RECOMMENDED ACTION: Authorization to disburse up to \$524,117 of U.S. Fish and Wildlife Service grant funds to Marin Audubon Society to restore a 6.2-acre site adjoining the Corte Madera Marsh Ecological Reserve in Marin County.

LOCATION: East of the terminus of Industrial Way in Corte Madera, Marin County (Exhibit 1)

PROGRAM CATEGORY: San Francisco Bay Area Conservancy

<u>EXHIBITS</u>

Exhibit 1: Project Location

Exhibit 2: Restoration Design

Exhibit 3: Project Site Photographs

Exhibit 4: Project Letters

Exhibit 5: CEQA Documentation

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Sections 31160-31165 of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes disbursement of an amount not to exceed five hundred twenty-four thousand one hundred seventeen dollars (\$524,117) to Marin Audubon Society (MAS) to restore a 6.2-acre site adjoining the Corte Madera Marsh Ecological Reserve in Marin County. This authorization is subject to the condition that prior to the disbursement of Conservancy funds, MAS shall submit for the review and approval of the Executive Officer of the Conservancy (Executive Officer) a final work program, schedule and budget; copies of all necessary permits; evidence of landowner agreements sufficient to enable the grantee to construct and maintain the project; a plan for acknowledging Conservancy funding; and names of project contractors.

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

- 1. The proposed authorization is consistent with Chapter 4.5 of Division 21 of the Public Resources Code (Sections 31160 *et seq.*), regarding San Francisco Bay Area Conservancy Program.
- 2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
- 3. The Marin Audubon Society is a nonprofit organization existing under section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources Code.
- 4. The Conservancy has independently reviewed and considered the *Initial Study/Mitigated Negative Declaration Corte Madera Ecological Reserve Expansion* (IS/MND) adopted by the Town of Corte Madera on January 17, 2017 and attached to the accompanying staff recommendation as Exhibit 5. The Conservancy finds that the proposed project as mitigated avoids, reduces or mitigates the possible significant environmental effects and that there is no substantial evidence that the proposed project will have a significant effect on the environment as defined by the CEQA Guidelines, 14 Cal. Code Regs Section 15382."

PROJECT SUMMARY:

Staff recommends the disbursement of \$524,117 of United States Fish and Wildlife Service (USFWS) National Coastal Wetlands Conservation Program grant funds to Marin Audubon Society (MAS) to restore a 6.2-acre site of filled historic tidelands adjoining the Corte Madera Marsh Ecological Reserve (Reserve) in Marin County (Exhibit 1). MAS will restore the site to tidal marsh and transitional upland habitat to benefit the endangered Ridgway's rail as well as other special status species, migratory waterfowl, and shorebirds that depend on the Reserve's habitats. MAS owns 5.2 acres of the project site and 1 acre is within the Reserve, which is owned by the California Department of Fish and Wildlife (CDFW).

The project site is former tidal marsh that was previously filled to support development. MAS will excavate 3.6 acres of filled area to create a marsh plain that is 0.5 foot below mean high water. This will allow tidal waters to deposit sediment and seeds and for natural recolonization of tidal marsh plants. Tidal marsh restoration projects in San Francisco Bay have found that revegetation happens more quickly if natural processes establish the marsh surface substrate. Several small areas of fill will be retained to create high tide islands that can be used by wintering waterfowl and shorebirds. Channels will be constructed to connect the restored marsh to the existing marsh in the Reserve and improve water circulation. The restoration design is shown in Exhibit 2.

Excavated fill will be relocated to the westerly part of the project site to create a gradual transition slope that rises 6 or 7 feet above mean high water. The shallow slope will allow the marsh to migrate inland in response to sea level rise while preserving areas of high tide refugia for wildlife. Within the upland area MAS will also construct a 150-foot long public access path that will offer views of the restored and existing habitat, while protecting wildlife from

disturbance. The path will connect to a parking lot on CDFW property (which in turn connects to a public street, although there is a railroad right-of-way between the parking lot and the street as discussed further below). Following restoration, MAS will donate their property to CDFW for inclusion in the Reserve.

A railroad right-of-way currently owned by Sonoma-Marin Area Rail Transit (SMART) is located along the property's western boundary between the terminus of a public road (Industrial Way) and the project site. MAS has entered into a license agreement with SMART that enables MAS to cross the SMART right of way through December 2019, with the possibility of a time extension, for purposes of restoration and maintenance of the project site. The license agreement does not authorize public access across the railroad right-of-way; however, the County of Marin is planning a pedestrian and bicycle path within the SMART right-of-way which would provide public access to the property. In the future, this trail may be dedicated as a segment of the Bay Trail and is estimated to be complete by 2020. The trail in the SMART right-of-way would provide the public with access to the CDFW parking lot and the path on the project site.

The San Francisco Estuary is the largest estuary on the west coast of the continent, is a major migration refueling stop and overwintering site for migratory waterfowl and shorebirds of the Pacific Flyway, and is the only remaining habitat for the resident endangered Ridgway's rail. Given that an estimated 85-90 percent of the historic tidal marshes in the San Francisco Estuary have been filled or significantly altered over the past two centuries, it is critical to protect and restore former tidelands that can still be easily restored, particularly those that are adjacent to extant marshes that are managed for wildlife.

Marin Audubon Society has been working to restore Marin County's coastal wetlands since 1956 through advocacy and partnering with local, state, and federal agencies, and local nonprofit organizations. MAS partnered with the Conservancy from 2002–2008 to successfully protect and restore hundreds of acres of tidal wetlands, riparian, and adjacent upland habitat in the Bahia site in Novato, Marin County. The Conservancy also provided MAS with funding for acquisition of the 33-acre Triangle Marsh property in 2000 and for the restoration and expansion of existing tidal marsh and transitional habitat at the Triangle Marsh site in 2004. The Triangle Marsh site is located at the south end of Corte Madera Bay.

Site Description: The majority of the project site is composed of imported fill that consists of soil along with rubble/debris (rock, concrete, a few piles of asphalt, bricks and rebar) that is both on the surface and buried. Vegetation growing on the fill soil consists of ruderal weedy plants including Harding grass, fennel, and other non-native grasses. A few small areas of seasonal wetlands occur on the MAS property where depressions pond rain water, allowing for wetland vegetation to grow. A small area in the southwestern part of the MAS property is tidal marsh. The tidal marsh and most of the seasonal wetlands will be preserved and protected during project construction and have been integrated into the project design. Currently, the MAS parcel is not actively managed, and is used in ways that disturb wildlife and degrade habitat in the adjacent Reserve. Photographs of the project site are included as Exhibit 3.

The project site is surrounded on three sides by the approximately 300-acre Corte Madera Marsh Ecological Reserve. The 95-acre ancient Heerdt Marsh (Exhibit 1, Figure 2), one of just a few tidal marshes in the estuary that has never been diked, abuts the project site on the south and east. On the north boundary are four acres of ruderal lands that were filled along with the project site over 40 years ago. The Heerdt tidal marsh surrounds the filled lands of the Reserve and the

project site. Tidal waters have been gradually extending back into the filled area of the Reserve as a result of subsidence and sea level rise, and have now converted some filled upland into high marsh. An unauthorized trail extends through this high marsh. These tidal and non-tidal habitats comprise the 100-acre northern section of the Reserve.

The Reserve extends along the entire western edge of Corte Madera Bay, from Corte Madera Creek in the north to San Clemente Creek at the south end. Approximately 200 acres of the Reserve to the south of project site is the Muzzi Marsh that was restored to tidal marsh in the mid-1970s after decades of use as pastureland. Further southeast is Triangle Marsh and adjacent tidelands owned by MAS. See Exhibit 1, Figure 2.

Project History: MAS purchased the 5.2- acre property in August 2015 from a developer, after trying for almost 30 years to acquire it. During that time, the former owner tried to build offices and then a housing development on the property.

In June 2015, the Conservancy authorized \$400,000 for acquisition of the property and in May 2016 the Conservancy authorized \$68,250 of U.S. Fish and Wildlife Service grant funds to MAS for preparation of environmental analyses, designs and other information needed to restore the site.

In June 2016, CDFW agreed to add to the restoration project a 1-acre area of filled land that is within the Reserve, adjacent to the MAS property (Exhibit 2). This area was added to the project because it would be very difficult to access and restore it once the MAS property is converted to tidal marsh and can no longer easily support construction equipment.

PROJECT FINANCING

Project Total	\$780,303
Wildlife Conservation Board (applied)	\$256,186
Coastal Conservancy (USFWS grant funds)	\$524,117

The USFWS has awarded \$622,000 to the Conservancy through the National Coastal Wetlands Conservation Grant Program for restoration of the MAS property, including both planning and construction. Of that total amount, \$524,117 will be disbursed to MAS for the proposed construction project. MAS has applied to the Wildlife Conservation Board for the remaining project costs that have been added to the project due to inclusion of the 1-acre CDFW property.

MAS and its members will also make significant in-kind contributions towards the project including time spent on project management and coordination.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project is consistent with Chapter 4.5 of Division 21 of the Public Resources Code, Sections 31160-31165, which authorizes the Conservancy to award grants in the nine-county San Francisco Bay Area to help achieve stated goals.

Consistent with Section 31162(b), the proposed project will help "to protect, restore, and enhance natural habitats and connecting corridors, watersheds, scenic areas, and other open-

space resources of regional importance." The project will restore the site to tidal marsh and transitional upland habitat that is integrated with the adjacent Reserve habitats. The restored habitat will benefit the endangered Ridgway's rail and other wildlife and provides seasonally important habitat for birds migrating along the Pacific Flyway.

Furthermore, under Section 31162(d), the Conservancy may "promote, assist, and enhance projects that provide open space and natural areas that are accessible to urban populations for recreational and educational purposes." MAS will construct a trail to provide people with a view of the marsh without disturbing wildlife or impacting marsh habitat. It is anticipated that the trail will become linked to the Bay Trail in the future.

Consistent with Section 31163(c), the project is 1) supported by adopted regional plans, including the Corte Madera Baylands Conceptual Sea Level Rise Adaptation Strategy, San Francisco Bay Plan, San Francisco Estuary Comprehensive Conservation and Management Plan, San Francisco Baylands Ecosystem Habitat Goals Report, and the U.S. Fish and Wildlife Service's Recovery Plan for Tidal Marsh Ecosystems of Northern and Central California; 2) is regionally significant in that it will provide highly productive habitat that has been greatly reduced in extent throughout the San Francisco Bay region; 3) can be implemented in a timely way as most of the funding has been secured; 4) provides an opportunity to restore a significant property that could be lost if grant funding is not used; and 5) is supported by U.S. Fish and Wildlife Service funds.

CONSISTENCY WITH CONSERVANCY'S 2013 STRATEGIC PLAN GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 11, Objective 11D**, the project will protect and enhance natural habitats in the project site and in adjacent areas by restoring tidal marsh and constructing trails that keep public access outside of sensitive areas.

Consistent with **Goal 12, Objective 12B**, the project will create a recreational trail near urban areas, that provides views of San Francisco Bay and opportunities to observe tidal marsh wildlife.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on October 2, 2014, in the following respects:

Required Criteria

- 1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
- 2. **Consistency with purposes of the funding source:** See the "Project Financing" section above.
- 3. **Promotion and implementation of state plans and policies:** The proposed project serves to promote and implement several state plans and policies, including:

- Baylands Ecosystem Habitat Goals Science Update (State Coastal Conservancy, 2015). The report recommends expediting the restoration and enhancement of tidal marsh and transitional habitat to help marshes keep pace with rising sea levels in San Francisco Bay.
- San Francisco Estuary Comprehensive Conservation and Management Plan (San Francisco Estuary Partnership, 2016). The project will help implement the following priority actions called for in the CCMP: Action 3–restore and enhance tidal marsh habitat for multiple ecosystem benefits including the recovery of threatened and endangered species and Action 4–create transitional habitat between estuarine and upland areas to help the estuary adapt to rising sea levels.
- Corte Madera Baylands Conceptual Sea Level Rise Adaptation Strategy (San Francisco Bay Conservation and Development Commission, 2013). Restoration of the site will further two of the plan's recommended management measures for sea level rise adaptation: improve sediment pathways, and increase the transition zone.
- 4. **Support of the public:** The project is supported by Congressman Jared Huffman, State Senator Mike McGuire, State Assemblymember Marc Levine, and the County of Marin Department of Public Works.
- 5. **Location:** The project is located in Marin County, within the jurisdiction of the nine-county San Francisco Bay Area Conservancy Program.
- 6. **Need:** The project will not occur without Conservancy support because other funding is not sufficient to complete planned restoration actions.
- 7. **Greater-than-local interest:** Restoration of this property to tidal marsh and creation of high tide refugia will greatly benefit the marsh ecosystem, endangered Ridgway's rails, and other resident and migratory species.
- 8. **Sea level rise vulnerability:** A gradual transition zone slope that will be created at the site will allow tidal marsh to migrate landward as sea level rises.

Additional Criteria

- 9. **Leverage**: See the "Project Financing" section above.
- 10. **Readiness**: MAS is finalizing permit applications and has consulted with state and federal regulatory staff about the project. If the Conservancy approves the proposed project, MAS will be ready to complete construction by December 2017.
- 11. **Realization of prior Conservancy goals**: See "Project History" above.
- 12. **Cooperation**: The project is part of the Campaign for Marin Baylands initiated by MAS with its partner, Marin Baylands Advocates (MBA), in the late 1980s. This particular project is moving forward with the cooperation of several local, state, and federal agencies.

CONSISTENCY WITH SAN FRANCISCO BAY PLAN:

The San Francisco Bay Conservation and Development Commission prepared the San Francisco Bay Plan to guide the future protection and use of San Francisco Bay and its shoreline. The Bay Plan states that, "[w]here feasible, former tidal marshes and tidal flats that have been diked from

the Bay should be restored to tidal action in order to replace lost historic wetlands or should be managed to provide important Bay habitat functions, such as resting, foraging, and breeding habitat for fish, other aquatic organisms and wildlife." Part III - The Bay as a Resource: Findings and Policies, Tidal Marshes and Tidal Flats, Policy 4, amended October 2011. The proposed project will allow MAS to commence restoration consistent with this policy as well as with many additional standing and amended policies of the Bay Plan.

COMPLIANCE WITH CEQA: The Town of Corte Madera (the Town) is the CEQA lead agency for this project. On January 17, 2017, the Town adopted the *Initial Study/Mitigated Negative Declaration Corte Madera Ecological Reserve Expansion* (MND), which addresses the proposed project and is attached to this staff recommendation as Exhibit 5.

The MND identified potentially significant impacts to air, biological resources, cultural resources, hydrology, and land use. As described below, mitigation measures will be implemented to reduce all potential significant impacts to less than significant levels.

Air Resources

The Bay Area is considered a non-attainment area for ground level ozone and respirable particulate matter. To reduce the generation of these pollutants, the project will be constructed using measures that reduce air pollution, including watering exposed surfaces, covering trucks transporting loose material off-site, and limiting equipment idling times and travel speeds.

Biological Resources

Special Status Species: The majority of construction activities will occur in ruderal uplands that provide low quality habitat for special status species. The Reserve, which surrounds the site, provides high quality tidal marsh habitat and is known to support a population of Ridgway's rail and potentially other special status species. Wildlife in the marsh may be impacted during construction of the tidal channels and during other construction activities that create noise and visual disturbance. To protect special status species, construction will only occur outside of the breeding season for Ridgway's rail and other birds, temporary fencing will be erected to prevent animals from entering excavation areas and to prevent people from entering sensitive habitat, channels will be excavated during low tide when fish are less likely to be present, and a biological monitor will be present during excavation work to help ensure that special status species are not impacted.

Wetlands: A small area of tidal marsh will be converted to open water channel habitat. However, this impact will be offset by the substantial increase in tidal marsh habitat that will develop at the site. Excavation of upland fill will require the removal of a small area of seasonal wetland habitat, which will be mitigated onsite through the creation and enhancement of seasonal wetlands.

Cultural Resources

A review of historic records and maps indicates that there is a low potential for the remains of historic or prehistoric structures or artifacts to be buried on site. If evidence of cultural resources, including human remains is found during project construction, all work within 50 feet of the discovery will be redirected and consultations with regulatory agencies and subject matter specialists will be initiated. If human remains are encountered, the Marin County Coroner will be

notified immediately and a qualified archaeologist will assess the find. If the remains are of Native American origin, the Coroner will notify the Native American Heritage Commission within 24 hours of the identification.

Hydrology and Water Quality

Onsite fill has been tested and reported to be beneficially reusable for tidal marsh restoration. No chemical concentrations were found that would classify the soil as hazardous and soil quality meets Regional Water Quality Control Board (RWQCB) standards for use in upland areas. If during project construction materials are found in the soil at levels to present potential hazards, these materials will be buried on site to protect water and air quality or other measures will be taken as required by the RWQCB. MAS is applying to the RWQCB for project certification as required under Section 401 of the Clean Water Act.

Land Use

The project site is in an area planned and zoned for office buildings. The MND indicates that the inconsistency with the zoning will be mitigated through amendments to the Town's General Plan and zoning. On January 17, 2017, the Town amended its General Plan to change the land use category designated for the project site from "Office" to "Wetlands and Marshlands" and amended its zoning ordinances to change the project site zoning from "Office" to "Parks, Open Space, and Natural Habitat." Accordingly, the project is consistent with the current zoning and will not have any significant effects in connection with land use.

Conservancy Staff's Recommendation for Compliance with CEQA

Conservancy staff recommends that the Conservancy find that, as a responsible agency, it has independently reviewed the MND and; that the project as mitigated avoids, reduces, or mitigates the potential significant environmental effects to a level of insignificance; and that there is no substantial evidence in the record that the project will have a significant effect on the environment, as defined in 14 California Code of Regulations Section 15382. The Town adopted a Mitigation and Monitoring Plan, as required by CEQA, on January 17, 2017.

Upon conservancy approval, staff will file a Notice of Determination for the Project.